CONSUMER PRICE

INDEX

REPORT

AUGUST 2006

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

September 19, 2006

2007-00266

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CONSUMER PRICE INDEX – AUGUST 2006

	PERCENT CHANGE - ALL ITEMS INDEX	
	AUGUST 06/AUGUST 05	AUGUST 06/ JULY 06
MANITOBA	2.2	0.0
CANADA	2.1	0.2

The Manitoba all items index rose 2.2% in August 2006 compared with August 2005, down from the July annual rate of 2.5%. Canada's annual rate of price increase in August was 2.1%, down from its July rate of 2.4%.

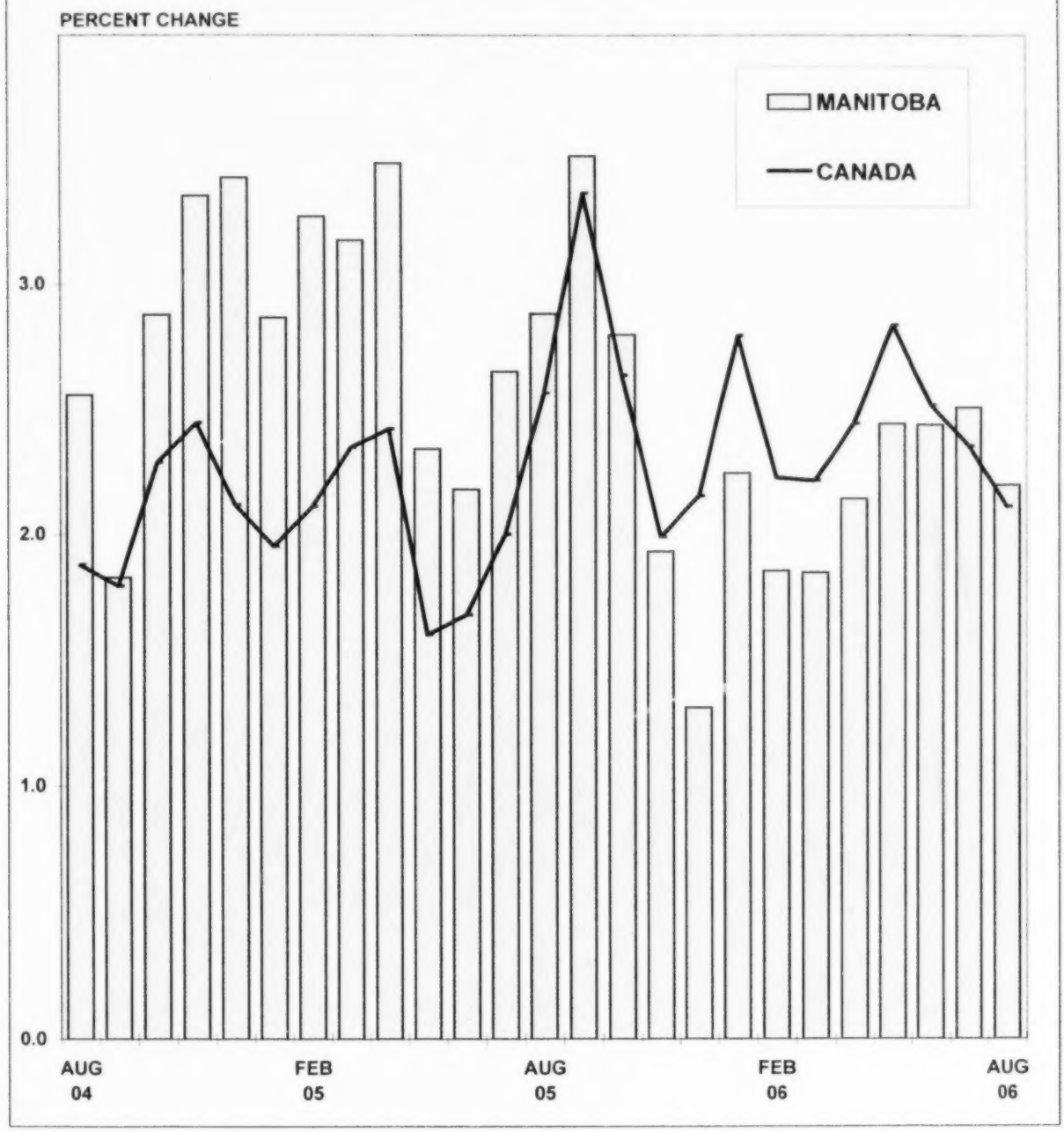
Chart 1 presents a summary of price changes for Manitoba and Canada over the last two years. The method of calculation shown in Chart 1 is the most widely used, and is often referred to by the media as the **"inflation rate"**. It is based on the percent change between the current month and the same month the previous year.

Manitoba's annual inflation rate of 2.2% in August was fifth lowest among the provinces. Alberta recorded the highest increase at 4.7% while Ontario recorded the lowest rate at 1.5%. The Winnipeg all items index was 2.0% in August, down from an annual rate of 2.4% in July.

Between August 2005 and August 2006, Manitoba saw lower prices for women's clothing, recreational equipment & services (excluding vehicles), children's clothing, furniture, home entertainment equipment & services as well as electricity. These declines were more than offset by higher prices for gasoline, purchase and leasing of automotive vehicles, food purchased from restaurants, mortgage interest cost, automotive vehicle parts, maintenance and repairs, and homeowners' insurance premiums.

On a monthly basis, the Manitoba all-items index was unchanged in August, after increasing by 0.1% in July. Prices were lower last month for women's clothing, natural gas, purchase and leasing of automotive vehicles, bakery products, personal care supplies & equipment as well as prescribed medicines. These declines were offset by increases in gasoline, clothing accessories and jewellery, homeowners' maintenance & repairs, mortgage interest cost, food purchased from restaurants, and pet food and supplies. Overall, prices at the national level increased by 0.2% in August, up from the 0.1% increase in July.

CHART 1. CONSUMER PRICE INDEX
MONTHLY INFLATION RATE
MANITOBA AND CANADA



DATA SOURCE: STATISTICS CANADA
MANITOBA BUREAU OF STATISTICS

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CHART 2. CONSUMER PRICE INDICES
PERCENT CHANGE FROM AUG 05 TO AUG 06
ALL ITEMS: CANADA AND PROVINCES

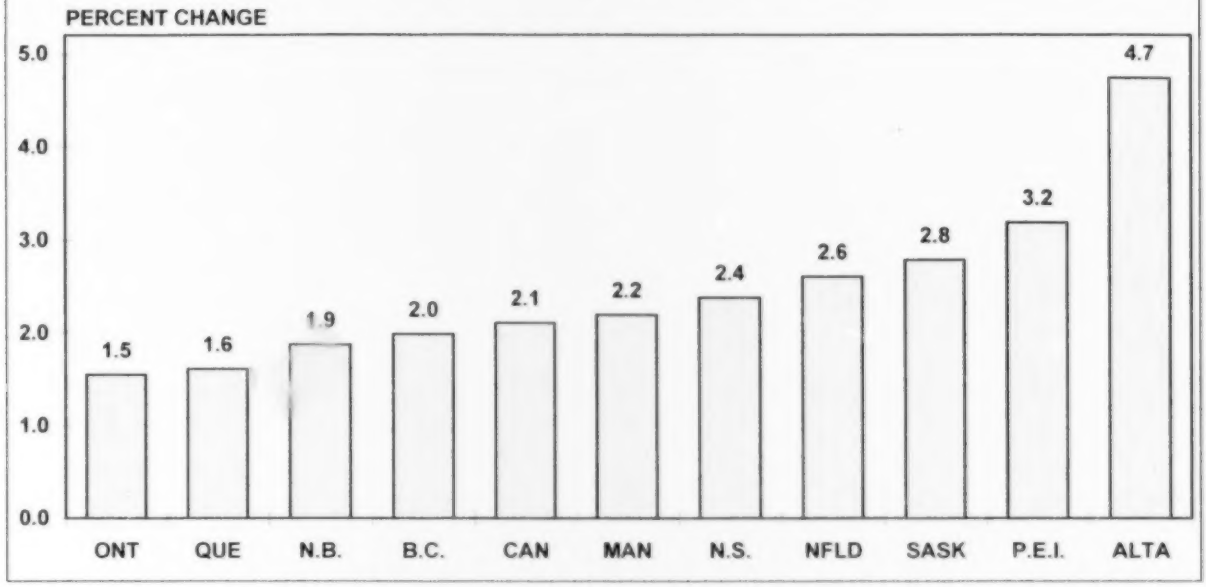
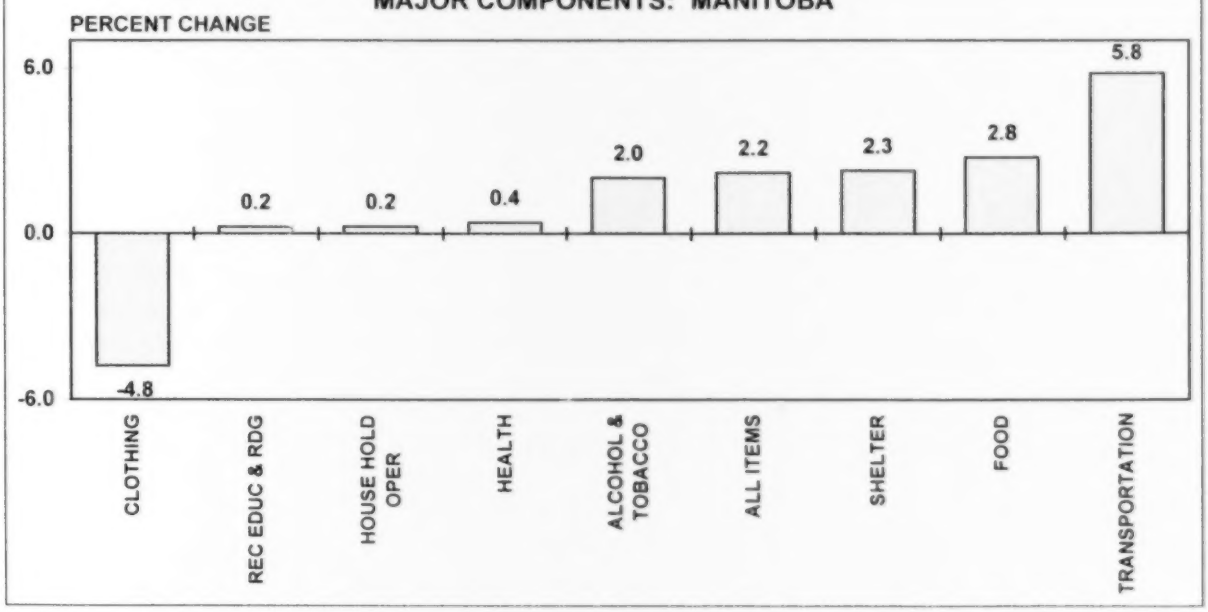


CHART 3. CONSUMER PRICE INDICES
PERCENT CHANGE FROM AUG 05 TO AUG 06
MAJOR COMPONENTS: MANITOBA



DATA SOURCE: STATISTICS CANADA
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TABLE 1: CONSUMER PRICE INDICES FOR AUGUST 2006

(1992 = 100)

	MANITOBA					CANADA				
	AUG 06	JUL 06	PERCENT CHANGE	AUG 05	PERCENT CHANGE	AUG 06	JUL 06	PERCENT CHANGE	AUG 05	PERCENT CHANGE
MAIN COMPONENTS:										
ALL ITEMS	135.0	135.0	0.0	132.1	2.2	130.7	130.5	0.2	128.0	2.1
FOOD	138.0	137.6	0.3	134.3	2.8	131.3	131.4	-0.1	128.5	2.2
SHELTER	130.7	130.9	-0.2	127.8	2.3	129.1	128.8	0.2	124.4	3.8
HOUSEHOLD OPERATIONS AND FURNISHINGS	124.0	123.7	0.2	123.7	0.2	115.7	115.4	0.3	115.8	-0.1
CLOTHING AND FOOTWEAR	109.6	111.5	-1.7	115.1	-4.8	100.4	98.4	2.0	102.2	-1.8
TRANSPORTATION	158.7	158.0	0.4	150.0	5.8	158.6	159.0	-0.3	153.1	3.6
HEALTH AND PERSONAL CARE	127.0	127.5	-0.4	126.5	0.4	121.9	122.1	-0.2	121.1	0.7
RECREATION, EDUCATION AND READING	126.1	126.2	-0.1	125.8	0.2	127.8	127.9	-0.1	128.4	-0.5
TOBACCO AND ALCOHOL	156.7	156.5	0.1	153.6	2.0	150.5	150.2	0.2	148.0	1.7
SPECIAL AGGREGATES:										
ALL ITEMS EXCL. FOOD	134.3	134.4	-0.1	131.6	2.1	130.6	130.4	0.2	128.0	2.0
ALL ITEMS EXCL. FOOD AND ENERGY	128.8	129.0	-0.2	127.3	1.2	125.4	125.2	0.2	123.7	1.4
ENERGY	187.9	186.8	0.6	173.6	8.2	183.6	184.0	-0.2	171.4	7.1
GOODS	131.9	132.1	-0.2	129.4	1.9	125.1	125.1	0.0	123.3	1.5
SERVICES	138.4	138.1	0.2	135.1	2.4	136.9	136.6	0.2	133.3	2.7

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

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TABLE 2: CONSUMER PRICE INDICES FOR AUGUST 2006

(1992 = 100)

	ALL ITEMS					FOOD				
	AUG 06	JUL 06	PERCENT CHANGE	AUG 05	PERCENT CHANGE	AUG 06	JUL 06	PERCENT CHANGE	AUG 05	PERCENT CHANGE
MANITOBA	135.0	135.0	0.0	132.1	2.2	138.0	137.6	0.3	134.3	2.8
WESTERN PROVINCES										
SASKATCHEWAN	136.6	135.9	0.5	132.9	2.8	130.2	128.8	1.1	125.5	3.7
ALBERTA	141.4	140.8	0.4	135.0	4.7	130.7	130.3	0.3	127.4	2.6
BRITISH COLUMBIA	128.4	128.2	0.2	125.9	2.0	129.0	128.9	0.1	126.6	1.9
EASTERN PROVINCES										
ONTARIO	131.1	130.9	0.2	129.1	1.5	131.5	131.5	0.0	129.5	1.5
QUEBEC	126.1	126.2	-0.1	124.1	1.6	133.3	134.0	-0.5	129.6	2.9
MARITIME PROVINCES										
NEW BRUNSWICK	130.5	130.1	0.3	128.1	1.9	131.3	130.9	0.3	127.4	3.1
NOVA SCOTIA	133.5	133.3	0.2	130.4	2.4	134.4	134.1	0.2	129.8	3.5
PRINCE EDWARD ISLAND	132.7	132.4	0.2	128.6	3.2	131.3	130.2	0.8	126.7	3.6
NEWFOUNDLAND/LABRADOR	130.0	129.6	0.3	126.7	2.6	126.6	126.2	0.3	122.8	3.1
* MANITOBA RANK			2		5			5		4

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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TABLE 3: PERCENT CHANGE COMPARISONS, MANITOBA AND CANADA

(AS OF AUGUST 2006)

	(1) CHANGE FROM SAME MONTH LAST YEAR		(2) CURRENT ANNUAL RATE OF CHANGE		(3) 12 - MONTH ANNUAL RATE	
MAIN COMPONENTS	MANITOBA	CANADA	MANITOBA	CANADA	MANITOBA	CANADA
ALL ITEMS	2.2	2.1	2.1	0.3	2.3	2.5
FOOD	2.8	2.2	8.2	1.8	1.2	2.0
SHELTER	2.3	3.8	0.6	1.6	3.2	3.5
HOUSEHOLD OPERATIONS AND FURNISHINGS	0.2	-0.1	1.3	-2.7	0.6	0.6
CLOTHING AND FOOTWEAR	-4.8	-1.8	-7.0	-2.7	-3.4	-1.5
TRANSPORTATION	5.8	3.6	4.4	0.5	6.1	5.2
HEALTH AND PERSONAL CARE	0.4	0.7	-1.6	-2.3	1.7	1.5
RECREATION, EDUCATION AND READING	0.2	-0.5	-1.9	-1.5	-0.2	-0.2
TOBACCO AND ALCOHOL	2.0	1.7	0.0	0.0	2.2	2.2
SPECIAL AGGREGATES:						
ALL ITEMS EXCL. FOOD	2.1	2.0	0.6	-0.3	2.5	2.5
ALL ITEMS EXCL. FOOD AND ENERGY	1.2	1.4	-0.9	-1.0	1.4	1.5
ENERGY	8.2	7.1	10.9	5.4	11.4	11.6
GOODS	1.9	1.5	1.8	-1.3	2.3	2.6
SERVICES	2.4	2.7	2.3	1.8	2.3	2.3

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS
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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS THREE DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) PROVIDES A MEASURE OF THE CURRENT ANNUAL RATE OF INFLATION. THE GROWTH RATE OVER THE PRECEEDING THREE MONTHS IS CALCULATED AND THEN COMPOUNDED AT AN ANNUAL RATE. IT SHOULD BE NOTED THAT THESE CALCULATIONS HAVE NOT BEEN SEASONALLY-ADJUSTED.

(3) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

TABLE 4: CONSUMER PRICE INDICES FOR AUGUST 2006: ALL ITEMS

(1992 = 100)

	AUG 06	JUL 06	PERCENT CHANGE	(1) CHANGE FROM SAME MONTH LAST YEAR	(2) 12 - MONTH ANNUAL RATE
WINNIPEG	134.9	134.9	0.0	2.0	2.2
WESTERN CITIES					
REGINA	137.1	136.5	0.4	2.5	2.0
SASKATOON	135.9	135.1	0.6	3.0	2.3
CALGARY	143.9	143.0	0.6	5.9	3.9
EDMONTON	137.7	137.5	0.1	3.5	3.2
VANCOUVER	129.0	128.8	0.2	2.1	1.8
VICTORIA	128.3	128.2	0.1	1.8	2.0
EASTERN CITIES					
THUNDER BAY	127.9	127.9	0.0	1.3	2.0
TORONTO	130.9	130.8	0.1	1.3	2.1
OTTAWA	132.8	132.7	0.1	1.4	2.4
MONTREAL	126.0	126.0	0.0	1.5	2.3
QUEBEC	126.8	126.9	-0.1	1.6	2.3
MARITIME CITIES					
SAINT JOHN, N.B.	130.1	129.7	0.3	2.0	2.7
HALIFAX	131.8	131.6	0.2	2.3	2.7
CHARLOTTETOWN	131.3	131.0	0.2	3.1	3.2
ST. JOHN'S, NFLD	129.6	129.1	0.4	2.5	2.3
* WINNIPEG RANK (OUT OF 16 CITIES)			2	8	6

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS TWO DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

Manitoba